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Occupational Employment and Wages in Fairbanks — May 2016

Workers in the Fairbanks Metropolitan Statistical Area had an average (mean) hourly wage of \$26.72 in May 2016, about 12 percent above the nationwide average of \$23.86, according to the U.S. Bureau of Labor Statistics. Assistant Commissioner for Regional Operations Richard Holden noted that, after testing for statistical significance, wages in the local area were higher than their respective national averages in 15 of the 22 major occupational groups, including education, training, and library; production; and construction and extraction. Six groups had significantly lower wages than their respective national averages, including legal; management; and computer and mathematical.

When compared to the nationwide distribution, local employment was more highly concentrated in 8 of the 22 occupational groups, including construction and extraction; life, physical, and social science; and installation, maintenance, and repair. Conversely, 10 groups had employment shares significantly below their national representation, including production; sales and related; and business and financial operations. (See [table A](#) and [box note](#) at end of release.)

Table A. Occupational employment and wages by major occupational group, United States and the Fairbanks Metropolitan Statistical Area, and measures of statistical significance, May 2016

Major occupational group	Percent of total employment		Mean hourly wage		
	United States	Fairbanks	United States	Fairbanks	Percent difference ⁽¹⁾
Total, all occupations	100.0	100.0	\$23.86	\$26.72*	12
Management	5.1	5.4	56.74	47.27*	-17
Business and financial operations	5.2	3.6*	36.09	36.39	1
Computer and mathematical	3.0	1.5*	42.25	36.79*	-13
Architecture and engineering	1.8	2.3*	40.53	43.82*	8
Life, physical, and social science	0.8	2.9*	35.06	31.62*	-10
Community and social service	1.4	2.5*	22.69	27.56*	21
Legal	0.8	0.5*	50.95	41.01*	-20
Education, training, and library	6.2	7.8*	26.21	34.88*	33
Arts, design, entertainment, sports, and media	1.4	0.9*	28.07	24.08*	-14
Healthcare practitioners and technical	5.9	5.3*	38.06	43.10*	13
Healthcare support	2.9	1.9*	14.65	20.95*	43
Protective service	2.4	2.4	22.03	25.13*	14
Food preparation and serving related	9.2	9.2	11.47	13.17*	15
Building and grounds cleaning and maintenance	3.2	4.6*	13.47	15.57*	16
Personal care and service	3.2	2.2*	12.74	16.43*	29
Sales and related	10.4	8.4*	19.50	16.71*	-14
Office and administrative support	15.7	16.7*	17.91	20.86*	16
Farming, fishing, and forestry	0.3	(2)	13.37	17.07*	28

Note: See footnotes at end of table.

Table A. Occupational employment and wages by major occupational group, United States and the Fairbanks Metropolitan Statistical Area, and measures of statistical significance, May 2016 - Continued

Major occupational group	Percent of total employment		Mean hourly wage		
	United States	Fairbanks	United States	Fairbanks	Percent difference ⁽¹⁾
Construction and extraction.....	4.0	7.8*	23.51	31.67*	35
Installation, maintenance, and repair	3.9	5.6*	22.45	28.38*	26
Production	6.5	2.2*	17.88	26.23*	47
Transportation and material moving	6.9	6.0*	17.34	22.67*	31

Footnotes:

(1) A positive percent difference measures how much the mean wage in the Fairbanks Metropolitan Statistical Area is above the national mean wage, while a negative difference reflects a lower wage.

(2) Estimate not released

* The percent share of employment or mean hourly wage for this area is significantly different from the national average of all areas at the 90-percent confidence level.

One occupational group—construction and extraction—was chosen to illustrate the diversity of data available for any of the 22 major occupational categories. Fairbanks had 2,890 jobs in construction and extraction, accounting for 7.8 percent of local area employment, significantly higher than the 4.0-percent share nationally. The average hourly wage for this occupational group locally was \$31.67, significantly above the national wage of \$23.51.

Some of the larger detailed occupations within the construction and extraction group included operating engineers and other construction equipment operators (540), construction laborers (470), and plumbers, pipefitters, and steamfitters (360). Among the higher paying jobs were first-line supervisors of construction trades and extraction workers and electricians, with mean hourly wages of \$44.73 and \$38.25, respectively. At the lower end of the wage scale were carpenters (\$30.77) and glaziers (\$31.00). (Detailed occupational data for construction and extraction are presented in [table 1](#); for a complete listing of detailed occupations available go to www.bls.gov/oes/2016/may/oes_21820.htm.)

Location quotients allow us to explore the occupational make-up of a metropolitan area by comparing the composition of jobs in an area relative to the national average. (See [table 1](#).) For example, a location quotient of 2.0 indicates that an occupation accounts for twice the share of employment in the area than it does nationally. In the Fairbanks Metropolitan Statistical Area, above-average concentrations of employment were found in many of the occupations within the construction and extraction group. For instance, operating engineers and other construction equipment operators were employed at 5.7 times the national rate in Fairbanks, and plumbers, pipefitters, and steamfitters, at 3.3 times the U.S. average.

These statistics are from the Occupational Employment Statistics (OES) survey, a federal-state cooperative program between BLS and State Workforce Agencies, in this case, the Alaska Department of Labor & Workforce Development.

Notes on Occupational Employment Statistics Data

A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with the ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

Technical Note

The Occupational Employment Statistics (OES) survey is a semiannual mail survey measuring occupational employment and wage rates for wage and salary workers in nonfarm establishments in the United States. The OES data available from BLS include cross-industry occupational employment and wage estimates for the nation; over 650 areas, including states and the District of Columbia, metropolitan statistical areas (MSAs), metropolitan divisions, nonmetropolitan areas, and territories; national industry-specific estimates at the NAICS sector, 3-, 4-, and selected 5- and 6-digit industry levels, and national estimates by ownership across all industries and for schools and hospitals. OES data are available at www.bls.gov/oes/tables.htm.

OES estimates are constructed from a sample of about 1.2 million establishments. Each year, two semiannual panels of approximately 200,000 sampled establishments are contacted, one panel in May and the other in November. Responses are obtained by mail, Internet or other electronic means, email, telephone, or personal visit. The May 2016 estimates are based on responses from six semiannual panels collected over a 3-year period: May 2016, November 2015, May 2015, November 2014, May 2014, and November 2013. The overall national response rate for the six panels, based on the 50 states and the District of Columbia, is 73 percent based on establishments and 69 percent based on weighted sampled employment. The unweighted employment of sampled establishments across all six semiannual panels represents approximately 58 percent of total national employment. The sample in the Fairbanks Metropolitan Statistical Area included 693 establishments with a response rate of 82 percent. For more information about OES concepts and methodology, go to www.bls.gov/news.release/ocwage.tn.htm.

The May 2016 OES estimates are based on the 2010 Standard Occupational Classification (SOC) system and the 2012 North American Industry Classification System (NAICS). Information about the 2010 SOC is available on the BLS website at www.bls.gov/soc and information about the 2012 NAICS is available at www.bls.gov/bls/naics.htm.

Metropolitan area definitions

The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget.

The **Fairbanks, Alaska Metropolitan Statistical Area** includes Fairbanks North Star Borough.

Additional information

OES data are available on our regional web page at www.bls.gov/regions/west. Answers to frequently asked questions about the OES data are available at www.bls.gov/oes/oes_ques.htm. Detailed technical information about the OES survey is available in our Survey Methods and Reliability Statement on the BLS website at www.bls.gov/oes/current/methods_statement.pdf.

Information in this release will be made available to sensory impaired individuals upon request . Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Employment and wage data from the Occupational Employment Statistics survey, by occupation, Fairbanks Metropolitan Statistical Area, May 2016

Occupation ⁽¹⁾	Employment		Mean wages	
	Level ⁽²⁾	Location quotient ⁽³⁾	Hourly	Annual ⁽⁴⁾
Construction and extraction occupations	2,890	2.0	\$31.67	\$65,870
First-line supervisors of construction trades and extraction workers	210	1.5	44.73	93,040
Carpenters.....	240	1.4	30.77	63,990
Construction laborers	470	2.0	⁽⁵⁾	⁽⁵⁾
Operating engineers and other construction equipment operators	540	5.7	36.44	75,800
Electricians	190	1.2	38.25	79,550
Glaziers	40	3.6	31.00	64,480
Plumbers, pipefitters, and steamfitters	360	3.3	34.12	70,960
Sheet metal workers.....	⁽⁵⁾	⁽⁵⁾	34.01	70,740

Footnotes:

(1) For a complete listing of all detailed occupations in the Fairbanks, AK, see www.bls.gov/oes/current/oes_21820.htm

(2) Estimates for detailed occupations do not sum to the totals because the totals include occupations not shown separately. Estimates do not include self-employed workers.

(3) The location quotient is the ratio of the area concentration of occupational employment to the national average concentration. A location quotient greater than one indicates the occupation has a higher share of employment than average, and a location quotient less than one indicates the occupation is less prevalent in the area than average.

(4) Annual wages have been calculated by multiplying the hourly mean wage by a "year-round, full-time" hours figure of 2,080 hours; for those occupations where there is not an hourly mean wage published, the annual wage has been directly calculated from the reported survey data.

(5) Estimate not released.